1950-51 **File No.** 6730/36

B CLASS

P.W. DEPARTMENT
EI BRANCH (I)

Subject:— Electric Supply Act, 1948
Effect of Section 19(b) of

(10)

14

BCK 3.1957

File No. 6730/36-EI

Ltd. Scott. Slip. 24 Ap.

G.R., G.D., No. 2408, dated 22-6-22.]

Correspondence

DOCKET SHEET

Subject :—

File No. 6736/36

PW **DEPT.**

El. (I) **BRANCH.**

References :—

Copies from the Original file B [M]

~~Original file kept for Maharashtra~~

Date.	To whom sent.	Notes and instructions.

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6730/36

El.Br.(I) Public Works Department.

O.N.

The model form of Elce. license provides freedom to consumers of electricity, requiring more than 50 KW. power, to purchase their power requirements from Government Department or an Electy. Board that may be set up by Govt. This provision is essential in the interest of grid supply. It is the policy of Govt. to incorporate the above provision in the licenses in the merged States. The Elecl. Commissioner has, in his suggestions on the amendments to the Boards Elec., License, recommended the incorperation of the above provisions in that incense and has observed that after the elecy. Board is formed the provision about 50 kW. would become a null and void on account of its being inconsistant with Section 19(b) of the Electy. (Supply) Act, 1948. He has stated by way of remedy that, the object can be secured if the consent of the licensee is obtained after the Act comes into force. He has, therefore, suggested that, it should be made obligatory on the Baroda licensees that they must enter into a formal agreement on the above lines with the Board when it is formed.

2. It seems that an agreement to the above effect may be inconsistant with the provision of Section 19(b) of the Act and as such it may have no effect. Please see Section 70 of the Act, in this connection. It may be stated here that to persuade an Electy. Undertaking to commit itself to make an agreement with the Board in the matter which may be inconsistant with the provisions of the act will be a rather difficult task. The Elcl. Commr. may be requested to take this aspect in consideration and offer further remarks, in this connection, if any, The question of the rivision of the Baroda Elece. lecense is being dealt with in file No.999/48.

Id/-
6-5-50

Id/-
9-5-50

P.T.O.

Urgent.

U.O. to Elecl. Commr. dt. 11-5-50

Below P.W.D.U.O.R.No.6730/36 dated 11-5-1050.

ELECTRIC GRID OFFICES.

The soliciter to Government has been informally consulted in the matter. He is of the opinion that any action now taken to pursuade or force the licensee to enter into an agreement with has Board, when it is formed, will be inconsistent with the provisions of the Act and can be challanged by the licensee on the ground that the arrangement was made under duress.

To consider the matter further, it is suggested, that the case may be referred to the Remembrancer of Legal Affairs for an opinion, on the important point of law, whether consent obtained at this stage, when section 19(b) of the Electricity (Supply) Act 1948 is not operative, making it obligatory on the Baroda licensee to enter into an agreement on the required lines with the Board, when it is formed, will be binding on the licensee or not when section 19(b) of Electricity (Supply) Act 1948 becomes operative. The opinion of the Remembrancer of Legal Affairs when available may kindly be sent to me after which I will make my proposals to Government.

Id/-
1-6-1950.

The Secretary to Govt.
P.W.D., Bombay.
U.O.R.No. PLE-BRD-1(A)
dated 1st Aug 1950.

6730/36
44555

P. W. D.

El.G(I)

Submitted with refe. to the O.N. dated the 6-5-50.

2. It will be seen from the Elcel. Commr's note that the ~~Secretary~~ Soliciter to Govt. is also of the same opinion which is expressed in the O.N. These papers may be referred u.o. to the R.L.A. for his ~~xxx~~ opinion in the matter, as suggested by the Elecl. Commr.

Id/-
17-6-50

Id/-
19-6-50

Urgent.

U.O. to R.L.A. dt. 21-6-50

*with file No.999/48

Office of the R.L.A.

Electricity (Supply) Act, 1948 - Proviso (b) of section 19(1) and section 70(1).

An agreement of the kind as proposed even if executed by the Baroda Electric Licensee after the Board is formed, would be inoperative, it being inconsistent with the provisions of the proviso (b) of Section 19(1) of the Electricity (Supply) Act, 1948 (see section 70(1) of that Act). Consequentlly, the question of requiring the Baroda Electric Licensee to agree to the execution of such agreement after the Board is formed would not obviously arise.

Sd/- 8/8/50
Remembrancer of Legal Affairs.

U.R. to P.W.D. No. 11800, dated the 9th August 1950.

P.T.O

4

6730/36/65082

P. W. D.

E.Br.(I)

Submitted with reference to the note of the R.A. to H.M.,P.W.D. on dated the 13-7-50.

2. Please see the O.N. dated the 6-5-50, which explains the point at issue in these papers. The R.L.A. has opened that an agreement of the kind as proposed even if executed by the Baroda El. Licensee after the Board is formed, would be inoperative, it being incensistant with the previous of the proviso/(b) of Section 19(1) of the Ely. (Supply) Act, 1948.

3. In this con. it may be stated that the H.M.,P.W.D. desired to discuss this case with the R.L.A. was therefore informed, accordingly. On informal inquiries it is understood that the case was not discussed by the R.L.A. with the H.M., The opinion of the R.L.A. may be submitted to the H.M., who may, if he still desires, call the R.L.A. to discuss the case with him.

4. In view of the R.L.A's opinion the papers will have to be refd. u.o. the Elecl. Commr. for further proposal, in the matter, vide, ~~x~~ 'A' in the Elcl. Commr. report on p3 ~~8~~ ante.

Id/-
18-8-50

Id/-
18-8

Discussed with H.M., on 26-8-50 as serial. This is to be sent to Elecl. Commr. as

Id/-
19-8

U.O. to Elecl. Commr. dated. 9-8-50

Id/-
27-8-

Below P.W.D.U.O.R.No.6730/36/65082 dated 29-8-1950.

ELECTRIC GRID OFFICES.

Although it is not specifically mentioned by the Remembrancer of Legal Affairs in his note at page 9 ante, it is presumed that it is ruled that an agreement of the kind as proposed, if executed beforex section 19-1(b) of the Electricity (Supply) Act 1948 comes into operation, would not be binding on the licensee when section 19-1(b) of the Electricity (Supply) Act 1948 becomes operative.

Reference is invited to my letter No.P-3N-1(A)/10346 dated 23/24-6-1950 suggesting certain changes to the license granted to the Baroda Municipality. In view of the ruling of the Remembrancer of Legal Affairs, my remarks against clause 7 of the Baroda License may be substituted with the following:

"The first, third and fourth provises to sub-clause (1) of clause 7 of our model form should be incorporated in clause 7 of Baroda License"

In view of the ruling of the Remembrancer of Legal Affairs it is also suggested that in continuation of Governme letter No.999/48-El(I) dated 12-5-1950, the Baroda Municipality may be advised that with the exception of -

1. The Alembic Chemical Works Ltd.
2. The New India Industries Ltd.
3. The Jagdish Mills Ltd.
4. The Dinesh Mills Ltd.
5. ~~The Divine Mills Ltd.~~

the consumers at present requesting for a supply of not more than 777 KW (half the actual Effective capacity available for supply to feeders) can be supplied power by the Municipality in their area of supply. The figure of 810 kW stated previously in this office U.O.R.No.PLE-BRD-1(A)/2688 dated

2-3-1950 was equivalent to half the effective generating capacity available at the busbars from which the power utilised for station auxiliaries has been deducted to arrive at the capacity available for supply to feeders.

It is necessary that the Baroda license should now be revised very early particularly with reference to Clause 5 regarding the area of supply. As the license stands now, the area within 20 miles radius falls within the licensee's area of supply. For the reasons given against Cl. 5 vide by letter No.P3N-1(A)/10346 dated 24-6-1949 the licensee's area should be confined to the Baroda Minicipal limits. I shall await Government orders in the matter to enable me to consider the question of rural electrification in the area round about Baroda.

Id/-
6-10-50

The Secy. to Govt.,
P.W.D., Bombay.

W.O.R.No.PLE-BRD-1(A)/22618

Bombay 1: 6th Oct. 1950.

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E.Br.(I). 6730/36/82168

P. W. D.

Submitted with reference to the O.N. dated the ~~18th~~ 18-8-50.

2. Please see the Elecl. Commr's U.O.R. written ~~Incident~~ view of the R.L.A. ruling ~~written~~ taken by the Elecl. Commr. suggests that the second proviso to Sub-Clause (i) pf cluae 7 of the Model form should not be incorporated in the Baroda El. Licensin while amending it to conform to the model form. The Elecl. Commr has also suggested that the licensee may be informed that consumers requesting supply not more than 777 kW can be ~~xx~~ given supply by the Licensee in their area of supply. Necy. action as suggested by the Elecl. Commr. in the matter is being taken as in file No.999/48. ~~consultation with~~ the Elec- Engr.

3. In this connection it may be stated that in view of the R.L.A's ruling above it does not seem necy. to incorporate the ~~xx~~ second proviso to Sub-Clause (I) of cluase 7 of the Model form in the license which will be granted in future. The Elecl. Commr. may ~~perp~~ perhaps be requested to offer remarks in the matter

Id/-
25-11-50

Id/-
27-11-50

U.O. to Elecl. Commr., dt 30-11-50

Below P.W.D.U.O.R.No.6730/30/82168 dated 30-11-1950.

Electric Grid Offices.

The second proviso to sub-Cluase I of Clause 7 of the model license will become inoperative only after Section 19(b) of the Electricity (Supply) Act 1948 comes into operation. It is ~~accordi~~ according suggested that the second proviso to Sub-Cluase

of Clause 7 may be amended as under for incorporation in all the licenses granted hereafter :-

Provided secondly that until the State Electricity Board is set up in accordance with the provisions of the Electricuty (Supply) Act 1948, nothing in this license shall be constructed to prevent any person requiring 50 KW or more of electrion power from purchasing his requirements from any Government Department for his own industrial, domestic or other uses. After the formation of the State Electricity Board the supply of electricity to the consmers in the area mentioned in Cluase 4 above will be go erned by the relevant provisions of the Electricity (Supply) Act 1948."

Id/- P.B.A.
18-12-50

The Secy. to Govt.
P.W.D., Bombay.

U.O.R. No. PLE/30364

Bombay 1: 19th December 1950.

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6730/36
104296

El.Br.(I) P. W.D.

Submitted with refe. to this O.N. dated the 25-11-50.

2. The El. Commr. has suggested that the Second Proviso to subsClause 1 of Cluase 7 of the model form of license may be amended as shown in this note at p. 17 ante. This amendment has been incorporated in the draft license for Baroda Muncy. vide para 12 of the O.N., of this dete in file No.999/48 submitted herewith. If this amendment is approved the El.Engr. may be requested to incorporate this amendment in the model form.

Id/-
16-1-51

Since it is proposed to permit the Mune. to connect loads less than 777 KW each. The propriety of this suggested amendment is not clear. It, may not therefore be accepted.

Id/-
8-1-51

Id/-
19-1-51

6730/2226

P. W. D.

El.Br.(I)

Resubmitted with refe. to the Dy.Secy. note overpage.

2. The Elecl. Commr's suggestion has not been accepted the terms of the ~~xxxx~~ discuss to be granted to the Baroda Muny. for supply of electy ~~xxxx~~ have been ~~xxx~~ scrutinised and approved by the Secy. The question of the ~~xxxxx~~ of supply is still to be decided. That question is being dealt with in file No.999/48 which is under ~~xxxx~~ u.o.r.

the R.L.A. Since ~~it~~ 12-3-51. No action is necy on these pps.

Id/-
24-3-51

Id/-
26-3-51 A.As.

18/7/51